dividuals, and, through the personal energy and private capital of comparatively few men, has been expanded to dimensions which find no parallel in the experience of any other one nation, and are surpassed only by the aggregate constructions of all the States of Kurope.

In the outset the telegraphic service of the United States was performed by a very considerable number of companies, which were gradually organized under charters grounded by the several States but by 1886 most of the connecting and connecting lines had become consolidated under the one charter of the Western Union Company. Since 1886 eight other rival companies have been organized, the lines of one of which stretch across the continent. Congress, on the other hand, except to authorize the building of lines across the public domain, whereby Government communication with the Pacilia Coast and the various military stations of remote territories might be facilitated, has intherto stendily declined to pass any acts of incorporation, or to legislate in favor of any one Company as distinct from the rest, and has thus, to all intents and purposes, distinctly recognized the policy of leaving the creation and control of telegraphic companies exclusively to the States.

Any review of the experience of the telegraph in the United States would, furthermore, be imperfect, which contited to call attention to the circumstances that, while the railroad system of the company and of millions of acros of its public lands, superadded to subscriptions, bounties, and exemptions immunerable from States, counties, and municipalities, the telegraph has given rather than received favors from the public. For if we add to the trifling domain made by Congress in the oniset to Prof. Morse, the highest estimated money value of all the privileges since granted by the Government to all the Telegraph Companies, namely—the right to string wires along military and post-roads, to cross the widerness of the plains, to precept land for nerval occupation—a right granted to every citi

Again, while in all other countries the capital, frauise, and business of the telegraph has been carefully exempted from taxation, in the United States, on the other hand, a rule of an exactly opposite character has been recognized. Thus, from 1865 to 1871 the several Telegraph Companies of the United States paid directly to the Federal Government, in the form of internal revenue taxes, an asgregate of \$1,59,000; and this, too, in addition to one rous State and local taxes, and a system of national customs taxes on materials of construction and operation, which last, in the case of wire alone—the leading article of telegraphic consumption—submices its cost satip-too per cent (on a gold basis) beyond what is poid for identically the same article in either Great Britain, Belgium, Switzerland, or Holland; And, aithough at the present time the national internal revenue taxes on the receipts of Telegraph Companies have been repealed, the aggregate of locali and customs taxes yet enforced are, in the case of the Western Union Company, equivalent to ten per cent on full one-inith of its total annual gross receipts for the transaction of business. And yet we find the Federal Government, which it part upholds and justifies the continuance of such taxation, assuming through its representative the position of a complainant, and virtually saying to the zeveral companies, "Because you do not transact your business cheaper we ought to deprive you of the privilege of doing business at all." een recognized. Thus, from 1865 to 1871 the several

Since the fluid consolidation of 1866 the telegraph facil-ties of the United States have been increased by the construction of more than 30,000 miles of additional an 2,000 new stations, at which messages can be transmutted and delivered. The expenditure rendered neces d delivered. The expenditure remarred necessital development has been about facelse millions, of which the Western Union Company has paid millions, in addition to the contributions of crapanies included in its system, which about two and a half millions—has increased by a rending June 30, 1872, under the abspices estern Union alone, having been 6,000 miles of 5 miles of wire, and 611 offices.

REDUCTION OF RATES. e time referred to, moreover, not a single ar has claused in which there has not been a marked age sum charged for the transmission of messages is not in excess of one-half that required in 1865 for the

mouths was \$419,236; and again, when, in 1870, in addition to other reductions, a system was adopted of allowing messares to be sent at night on all lines in the United States and Canada east of Omaha at rates one half less than those charged by day, the net receipts of the Company declined in the succeeding twelve months from \$47,541,961 to \$2,273,965, thus entailing a loss in a single year of over half a million of dolars. That succeeding the company declined in the succeeding twelve months from \$47,542,965, thus entailing a loss in a single year of over half a million of dolars. That succeeding the Company have been willing, deliberately, and in repeated instances, to submit to a very large and immediate loss, with the expectation of future gain, through an increased use of the telegraph by the people, consequent upon reduced charges, shows an amount of practical wisdom in dealing with the public interests, strikingly in contrast with the reluctant slowness with which those intrusted with the Government of the United States have met every proposition for the reduction of taxes, which only the exigences of an active war bould furnish an argument for continuance. The fortier circumstance should almost be overlooked, that in the memorial addressed to the Senate of the United states, under date of February, 1872, the Western Union Company state that work has been in progress for some time by this Company preparatory to a reduction of races, additional to those already effected.

TELEGRAPH STOCK AS AN INVESTMENT.

As a further contribution to the recent history of the

As a further contribution to the recent history of the American telegraph, it should be stated that, during the period of development under consideration, or from 1866 to 1872, the amount paid in dividends to stockholders in the telegraph companies of the United States has been about five inilitons, or less than ten per cent on their present aggregate stock capital, estimated at \$60,000,000. If it be said that the actual value of the franchises and property of the several companies is less than the par value of their stock, attention is asked to the circumstance that the Government of Great Britain, three years ago, paid more than thirty-seven millions in gold for a system of telegraphs in that country, operating 29,760 miles of line and 2,000 offices, as compared with a present aggregate in the United States of 80,000 miles of line and 6,300 offices. One million of dollars per annum again would be ten per cent—the rate contemplated in Mr. Hubbard's bill—on ten millions of capital; but this is less by two millions than the sum actually expended by the telegraph companies of the United States, independently of or in connection with railroads, during the last six years, for improvements and construction. And if it be replied to tha, also, that the amount derived from feccipts and expended in improvents and construction represents profits equally with the dividends paid directly to the stockholders, it is a good and sufficient answer that, if it be so, it is profit that up to the present time has accrued wholly to the public and not to the stockholders, and that for an indefinite future a large annual expenditure for similar purposes will be absolutely indispensable to meet the demands of an increasing population and new areas of terratorial occupation. That the companies have been willing to exercise this forbearance of any immediate returns from their investments through an expectation of large inture gains, as the country increases in wealth and population, may be regarded as a correct assumption; but the fact that that is so, would certainly seem to constitute in itself a valid bar to any immediate demand for a change on the part of a public which, for the present at least, o 1872, the amount paid in dividends to stockholders in the telegraph companies of the United States has been

As a further illustration of this position, take the As a further illustration of this position, take the financial exhibit of the Westera Union Telegraph Company for the year ending June 30, 1872. Gross receipts, \$4,65,966 7; total expenditures, \$5,666,863 16; apparent net profit, \$2,790,732, or 68-10 per cent on a capital of \$41,600,900, or 93-10 per cent on a capital of \$50,000,000. Hut out of this net gain or profit the company constructed or purchased over 16,000 miles of wire additional, and of which was nearly as essential to the accommodation of the business and social interests of the country, as was the expenditure (not included in the surplus) of \$250,000 during the same time for the maintenance and grapair of lines proviously existing. That the stockholders in the Western Union and other telegraph companies may receive something better in the future is cerjannly to be hoped; for if they do not the public may feel assured that either the average of existing tolls will have to be advanced, or no more lines will be built by

private capitalists looking to an average rate of interest TELEGRAPH FACILITIES IN EUROPE AND THE UNITED STATES.

As has been already stated, the telegraph service of Europe, with the exception of the various submarine lines, has from the outset been mainly under the owner-ship and central of Government. On the contrary, in ship and control of Government. On the contrary, in the United States the construction and operation of the telegraph has been left exclusively to private enterprise. Under such different circumstances of development the comparative results have been as follows: In Europe, with a population approximating 309,000,000, the telegraph system in 1871 embraced 175,490 miles of line, 474,000 miles of wire, and 15,500 offices.

In the United States, with a population which may be estimated at 40,000,000, there are about 80,000 miles of line, 180,000 miles of wire, and 6,300 offices.

The ratio of telegraphic facilities to the population in Europe and the United States may therefore be approximately indicated as follows:

COMPARATIVE BATES OF CHARGES IN EUROPE AND THE

The average charges for the transmission of messages in Europe and the United States also constitute an important element in any comparison that may be instituted in respect to the relative merits of the two systems. On this point we quote the testimony of George

tuted in respect to the relative merits of the two systems. On this point we quote the testimony of George B. Prezecti, esq., the best recognized authority on telestraphic statistics in the United States. He says: "The toils for the transmission of messages are not the same in any two countries in Europe; nor are they uniform for all classes of messages in any one country. Telegraphic correspondence in Europe; divided into two general classes, called 'internal' and 'international' messages. The internal are those which are received, transmitted and delivered in the same country; the international are those which are received in one country and transmitted into another country. As a general rule a low rate of charges is adopted for the transmission of 'internal' messages, while a high tariff's imposed on 'internal' messages, while a high tariff's imposed on 'internal' messages, and \$1.01 for international messages, which is a higher average charge than is imposed in this country, although it is well known that skilled labor is much more expensive here than in Europe."

It would seem as if an exhibit of such a character as above given would prove reasonably satisfactory to the public, and be also regarded by them as embodyling so much of promise for the future as to warrant, at least for the present, a general opposition to any radical and sweeping interference with the existing system. That the public, furthermore, are either not dissatified with the manner in which the telegraphic service of the country has been performed, or take but comparatively little interest in the subject, is sufficiently shown by the circumstance that up to the present time not a single memorial or petition has been presented to Congress from any Chamber of Commerce, Board of Trade, Manicipal Organization or Press Association which sets forth the necessity or prays for the provision of any new system, or which complains of and seeks redress for any existing grievances. But as, nevertheiess, a change of a certain character has, on the on mended by the President of the United States and some of his principal advisors, and as, on the other, certain elitzens, of acknowledged ability and enterprise, seek from Congress and and authority to inaugurate a system of an entirely different character, it is important to next subject to analysis the elements of the respective propositions, and see how far they are worthy of popular consideration and indorsement. And first as regards the Government proposition.

REVIEW OF THE GOVERNMENT PROPOSITION.

First: As the Fifth Amendatory Article of the Constierty shall not be taxen for public uses without just com-pensation; and as the act of 1866, in addition, specifi-cally stipulates that if at any time the United States

cally stipulates that if at any time the United States shall decide to take possession of the telegraphic system for military, postal, or other purposes, it shall purchase all lines, property, and effects of existing companies at a fair appraisement, it is legitimate to assume that the people of the United States will pay, attleast, a fair market price for whatever they propose to take possession. But how much will that price probably be I

In answer to this question we fave, first, the result of an investigation, submitted to a Setect Committee of the House of Representatives on the Telegraph, by Gardiner G. Hubbard, esc., who, as the principal advocate of a

an investigation, submitted to a Select Committee of the House of Representatives on the Telegraph, by Gardiner G. Habbard, esq., who, as the principal advocate of a company contemplating a similar purchase, would not naturally present an exaggerated estimate. This gentleman's figures of the total primary cost likely to be incurred by the Government, as a consequence of the proposed adoption of the telegraph, are as follows:

Estimate of appraisement of existing lines, \$30,00,000. But with a rediction of the rate of charges, as proposed under the Government system—namely, 25 cents for every 25 words—it is certain that the number of dispatches offered for transmission would largely increase, and to meet this increase new facilities in the shape of additional wires would be needed. Mr. Habbard estimates such extensions as requiring 270,000 miles of new wire, at a cost (at \$100 per mile) of \$27,000,000. Mr. Orton of the Western Union, on the other hand, as the result of the experience of that Company, says 30,000 miles would be needed, at a cost per mile which will approach much closer to \$150 rather than \$100. Then, again, the bill for telegraphic absorption by the Government, indorsed by the Postmaster-General, proposes to establish a telegraph tation in connection with every post-office in the country, the gross receipts of which for postages are not less than \$100 per annum. The estimate for such further extension is fixed by Mr. Hubbard at \$6,000,000 additional, making the total first and minimum cost to the Government of the proposed scheme not less than \$61,000,000.

It should, however, be stated that the Postmaster-General, in his recent report, December, 1872, expresses an opinion, as a result of his investigations, that a new system of the existing telegraphic system of the country as has been constructed by the Government for a total cost of such his about and material as would be required in any new constructed since the year 1866, and that the cost of such habor and material as would be required in an

cost of such inbor and material as would be required in any new construction has not since experienced any decime, but, on the contrary, in some respects has been augmented.

In a report submitted to the House of Representatives, Dec. 20, 1872, the Committee on Appropriations, on the other hand, in discussing this subject, use the following language: "The purchase and extension of lines necessary to transmit annually the \$3,000,000 messages contemplated by the Postmaster-General would involve the necessity for appropriations or a bonded indebtedness which has been estimated to equal, at least, \$75,00,000."

To meet now the probable targe expenditure which would be necessary, a new national loan would therefore have to be authorized; the Government would be again placed in the position of a borrower; the whole necessitating a new issue of bonds, new syndicates, new suspicions of partisan and Federal patronage, and commissions, and an unavoidable further continuance of that interference with the financial interests of the country which has already given to the Treasury Department a power and an influence which the framers of the Constitution never auticipated or intended. And as illustrating further how one interference by the Government with business that does not legitimately pertain to it naturally tends to suggest and open the way for another, it may be mentioned that it has been proposed (unofficially) to establish savings banks all over the country in connection with the Post-Office, and then use the depositate defray the expenses of telegraphic purchases and constructions—a scheme which has the taint of small, if not of fraudulent speculation, which involves the dispensing of new patronage, and which would undoubtedly cost the Government far more than any loan it could otherwise negotiate.

It is also a matter of interest to review, in this connection, the recent experience of so practical a nation as Great Britain in absorbing by purchase the tele-

It is also a matter of interest to review, in this connection, the recent experience of so practical a nation as Great Britain in absorbing by purchase the telegraphic system of that country. When the project was first brought before Parliament, the estimate of cost founded on the judgment of experts, was "twenty years' purchase" of the net profits of the several British companies for the years 185-5, predicated in the aggregate at £2,200,000 or \$11,000,000; but when the contract was once made, and the actual results determined, it was found that the Government had in reality obligated itself to an expenditure of £1,515,955, or nearly forly millions of dollars.

Second: In the bill reported by the Hon. C. C. Washburn from the Select Committee of the House on the Telegraph, July, 1870, and which, at the time mentioned and subsequently, received the approval of the Postofflee Department, the rate for which the Government proposed to undertake the transmission of messages was

and subsequently, received the approval of the PostOffice Department, the rate for which the Government
proposed to undertake the transmission of messages was
25 cents for each 29 words or figures, for all distances
within the territory of the United States. The opinion
of Mr. Orton, Mr. Prescott. Mr. Hubbard, and almost
every other person who had made study of the telegraph
in the United States a specialty, was, however, to the
effect that the sum named could not by any possibility
reimburse the Post-Office Department for the expense of
operating the telegraph as a system, to say nothing of
the interest on the original purchase and investment.
Mr. Washbura, as the result of his investigations (claimed
to be most thorough), thought differently, and in his report made use of the following language: "The Committee do not expect that on extreme distances the
low rate of 20 or 25 cents will be self-sustaining, but they
do expect that all such differences will be made up on
shorter lines," and "they have made a calculation. Josed
on reliable estimates, showing a smail profit." (Report
H. R. No. 2,305, p. 31.) And again, on page 54 of the same
report, Mr. Washburn unqualifiedly assers "that by
Government management and connection with the
postal service a large saving can be made in expenses,
and a reliable system established, which, at a uniform
rate of 25 cents for any distance, will be self-austaining."
And yet, notwithstanding these calculations, 'based on
reliable estimates," we find the Postmaster-General, as
the result of two years' additional experience, now proposing that the Government rate at the outset shall be
334 cents, to be reduced, after a "thorough renovation of
the lines," to 30 cents. It is, therefore, obvious that the
assumption of the Postmaster-General, if correct now,
places Mr. Washburin in the posttion of urging in 1570 a
scheme upon Congress, "based upon reliable estimates."
which, if adopted, would have entailed upon the Government an average loss o

CHEAP TELEGRAPHIC SERVICE UNDER THE GOVERNMENT AND INCREASED TAXATION OF THE PEOPLE CORRELA

But that the idea of making the telegraph, any more than the Post-Office, self-supporting in the hands of the Government does not really enter into the plans of those sweet to be advanced, or no more lines will be built by

* Not an acre has been precimpted.

† If we include premium on gold, freights, commissions, &c., the cost
of wire in Now-York is at least doubte the price for the same stricle in
Engined.

† The statistics published during the years immediately exceeding the
consolisation of the lines in 1866, and used in all the earlier discussions
respecting the working of the teigraph in the United States, are now
known to have been exceedingly imperfect—encoesarily so through lack
of an organization like bits now existing, which has required years to
perfect and develop. The averages above given—the result of the most
record and carried investigation—are believed to be as accurate as it is
sentially to state these.

Government does not really enter into the plans of those
who advocate the acheems of Federal interference, it is to
be called to mind that, in one of the earliest bills brough is
before Congress and carnestly advocated, namely, that
reported by the Hon. B. Gratz Brown in 1865, it was seritelegraph lines and work them in connection with the
Post-Office at a uniform rate of three cents per message—
a pr. position—then, equally as the one now advocated
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to congress and carnestly advocated, namely, that
reported by the Hon. B. Gratz Brown in 1865, it was seritelegraph lines and work them in connection with the
Post-Office at a uniform rate of three cents per message—
a pr. position—then, equally as the one now advocated to
the people of the United States cheaper telegraph
acryle of the United States cheaper
and that the Government should construct
to legraph lines and work them in connection with the
post-Office at a uniform rate of three cents

desirable a result may be effected. But it does not seem to have occurred to any or all of these gentlemen, whose bosoms swell so readily with the idea of Government philanthropy, that the Government has never anything to give to the people in the way of pecuniary ald or bounty other than what it has previously taken from them under some form of taxation, with some eight per cent additional to pay for the cost of the taking. And again, that if it is to be an accepted principle of our national policy that the Government is to furnish to the people such things as are acknowledged to be necessary, it stands to reason that such service should commence with those things which are of prime necessity rather than with those which are secondary; and that food and raiment, fuel, shelter, and education belong to the first class, and telegraphic service to the latter. What the annual deflet to the Government, transmitting telegrams at the rate of three cents per message would have amounted to, neither Mr. Graiz Brown or any other person has definitely stated; but on the basis proposed by Mr. Washburn, with the concurrence of the Post-Office Department, of 25 cents per message, Mr. Hubbard has proscuted to Congress the following estimate:

First.—Interest at 5 per cent. on national bonds representing the cost of the lines, \$1,150,000.

Second.—In Europe the cost of transmitting telegrams ranges, according to Mr. Hubbard, from 15 1-10 cents gold, 18+10 currency) in Belgium to \$1 18 in Russia. (Report H. R. 41st Congress, 28th Session, No. 2,355, p. 146). And he adds: "The cest of transmission increases with the length of the message and the distance of its transmission, though not ing the same proportion." In Belgium and Switzerland, the the two countries of Earope where the charges for telegraph service are least, the average listance to which messages are transmitted its 50 miles, but in the United States the average is *Arez Aundred miles.** "The cent of the lost in Belgium for the extra length and distance;" whic

less than 50 per cent to the cost in Beigium for the extra length and distance;" which moderate assumption would give 27.710, currency, as the cost to the Govern-ment of each message transmitted, and involving, on the basis of 25 cents per message, a direct loss of 27.10 cents on each message, or of \$1,090,000 per annum on the es-timated volume of business. To this must be added the annual expenditure on account of extensions, improve-ments and repairs, also estimated by Mr. Hubbard at \$2,500,000—making an annual aggregate deficit of \$6,-290,000.

But it must be borne in mind that when Mr. Hubbard But it must be borne in mind that when Mr. Hubbard takes the experience of Belgrum as his basis of comparison, he selects a country which. If we exclude Switzerland, is altogether exceptional in Europe, and one in which the wages of skilled labor, and the cost of all the elements that enter into telegraphic construction and coperation, touch a very low figure. And, as strikingly illustrative of this exceptional character of Belgium, we have the fact that while wages and the cost of material are equally cheap, if not cheaper, in Bavaria and Austria, the average cost of a telegraphic message in the first of these countries is 22 cents gold, and in the latter 57 cents, and that in neither Bavaria nor Austria do the total annual receipts from the telegraph approximate the aggregate annual requirements for telegraphic expenditure; the deficit in Bavaria for 1870 having been mate the aggregate annual requirements of the graphe expenditure: the deficit in Bavaria for 1870 having been 75.1 per cent, and in Austria 28.2 per cent. Gee appendix to the Review, marked B.) A more reasonable estimate of the average cost of transmitting Government telegrams in the United States, founded on European data, would, therefore, more probably give us 100, rather than 50 per cent in excess of the average of Beighum—carrying up Mr. Hubbard's estimate of the cost of each message from 27-10 cents to 35-2-10 cents, currency; and the loss on the same from 27-10 cents to 11-10 cents, or 32-10 cents on latest basis of 33 cents, advocated by the Postmaster-General. But this average is not so favorable as has been already attained to by the Western Union Telegraph Company, when it operates under conditions similar to those existing in Beighum, namely, over limited areas, and through and between dense centers of population, the charge for a message from New-York and Philadelphia, being at present but 30 cents currency, with a reluction of one-half for messages transmitted by night. It is curious to note, also, in this connection, how narrow is the margin between surplus and deficit under even Beigiam conditions and economy. Thus M. Vinchenf, the Director of Belgian telegraphs, in a recent exhibit of the 10 years' experience of that kingdom, prior to and including 180, shows that the excess of receipts over expenditures during that time, for telegraphic operation, construction and repairs, was only 531,844 transc (911,209, out of an aggregate of receipts of 11,205, 773 francs, or at the rate of \$11,509 per annum. And that this small but favorable annual average has not since been maintained, is proved by the Belgian statistics of 1870 f(the last available), which give an aggregate of \$10,000 cents of the graphic excepts, and \$35,730 telegraphic expenditures; and out of this last sum only \$15,000 is credited to construction and contingeacies.

If we turn now to other countries in which, although possessing all

gence which characterize begann to hot product results of telegraphic operation under the exclusive anspices of the State are much more significant. Thus including in the annual expenditure the sums disburses for constructions and repairs, as well as for operating the accounts for the year 1870, exhibit the following teachers.

the accounts for the year 1570, exhibit the following results:

North Germany.—Receipts, \$1,521,501; expenditures, \$1,721,855; deficit, \$135,215, or 8.3 per cent.

Bayaria.—Receipts, \$162,248; expenditures, \$284,835; deficit, \$122,557, or 75.1 per cent.

Denmark.—Receipts, \$162,248; expenditures, \$113,540; deficit, \$8.2 per cent.

Spain.—Receipts, \$289,340; expenditures, \$113,540; deficit, \$47 per cent.

AUSTRIA.—Receipts, \$299,221; expenditures, \$1,375,407; deficit, \$47 per cent.

In Great Britain, where the Governmental system is claimed to be a success, the fiscal exhibit of telegraphic service for the fourteen months prior to March, 1571, was as follows: Total receipts, £798,580 (\$3,992,099); total expenditures, £1,307,392; (\$6,986,945); deficit, £328,399 (\$2,994,045). The expenditures here are returned in two classes, namely, capital expenditure, £26,495 for poles, arms, wires, insulators, instruments, batteries and tools; and also the sum of £377,449 for engineering, salaries, alteration of buildings, examining accounts, law expenses, telegraphic instruction, and the like—all of which would seem to be annually essential to the working of a system as large as that of Great Britain, so long as it is maintained in a condition of effectiveness.

ally essential to the working of a system a large at that of Great Britain, so long as it is maintained in a condition of effectiveness.

Of other telegraphic systems under Government control, those of Hungary, Norway, Sweden, Holland, Portugal, Roumania, the Indo-European line, and the lines of British India, all in like manner exhibit, for the year 1870, a deficit of receipts ascompared with expenditures; while only in Russia (where the average charge for the transmission of messages is §1 52), Belgium, Switzerland, Italy, and Turkey, is there a claim preferred that the annual receipts from messages are equal to or in excess cal receipts from messages are equal to or in ex

isro, a deficit of receipts as compared with expenditures; while only in Russis, where the average charge for the transmission of messages is \$1.52). Belgium, Switzerland, Italy, and Turkey, is there a claim preferred that the annual receipts from messages are equal to or in excess of the expenditures necessary to work, maintain or extend the lines necessary to transmit them.

With such evidence flustrative of work, maintain or extend the lines necessary to transmit them.

With such evidence flustrative of sumilar system in the United States, where the Vol. Rely per cent more for whatever the committed of the United States, where the Vol. Rely per cent more for whatever the committed states, where the Vol. Rely per cent more for whatever the committed states, and where, with the possible exception of the maintacture of small arms, no work that it has ever undertaken, from the building of a ship to the printing of a book, compares favorably in point of quality and economy with the similar work of individuals I the total deficiency of six millions, which Mr. Hubbard estimates the people must be annually called upon to pay by taxation, under Mr. Washburn's bill, for the luxury of having the Government own the telegraph, will, in all probability, have to be multiplied by two—possibly by three—to represent the figures which will approximate the truth, and all for the benefit of not over one thirty second part of our population; that being the proportion which Mr. Palmur, of the Committe on Telegraphs, reported to me. Book and the telegraph, will, in all probability, have to be multiplied by two—possibly by three—to represent the figures which will approximate the truth, and all for the benefit of national states by the Government, the whole number of messages should increase to the extent of 4690,000 per annual.

It may be, however, that to some the addition of six, theeter, or even eighteen millions to a present annual national expenditure of about three hundred millions, will appear insignition to the facts brough

* M. Jamar, Minister of Pablic Works in Belgium, in a recent report, also makes this statement, that "the net product of the Belgium Telegraphic system has been diminished for several years, and was reduced to a point at which there was scarcely any profit in 1891."

4 Sir Jamas Anderson, in a paper result before the Statistical Society of London, June, 1872, presents the following statement of profit and loss contingent muon the Government maintenance of the telegraph during the year 1869 in the following states of Europe—interest for construction only fault not average annual expenditure for construction being included:

the year 1599 in the following States of Hurope—internst for construction only (and not average annual expenditure for construction) being included:

PROFIT.—Bavaria, 27,657; Belgium, 22,941; Italy (no data solutive to construction being obtainable since 1961), 225,966; Russia, £120,010; Seritzerian, £2,541.

Loss.—Austria and Hengary, £22,967; Baden, £395; Demmark, £7,232; Prance, £48,529; Germany (north), £7,7881; Greate, E11,567; Holland, £23,67; Horal Britain (1950-Baropean), £57,681; Greece, £11,568; Holland, £23,67; Horal Britain (1950-Baropean), £57,681; Greece, £1,568; Holland, £23,67; Horal Britain (1950-Baropean), £57,681; Horal Britain (1950-Bar

Union Company during the fiscal year 1872 for operating the telegraph, nearly three-fifths were disbursed on account of wages or salaries; which wages or salaries were from two to four times in excess of what are paid for similar services in Europe. Thus, for example, while the London telegraph offices are operated by females, at wages ranging from eight to twonty sinilings per week, the wages paid to the fifty female operators in the office of the Westers Union Company at New-York range from 40 to 456 currency per month, or, in more direct comparison with the wages of the English female operators, from 40 to 56 shillings per week. And what is true in respect to comparative wages in this department of the telegraph is true of every other; and yet the Federal Government now makes this very state of affairs, which all its recent legislation is claimed to have occasioned, the main cause of complaint against the existing Telegraph Companies for not providing cheaper service; and proposes, by absorbing the telegraph and making the Postmasters do duty as operators, to further condeum in practice what it still justifies in theory.

THE QUESTION OF GOVERNMENT EFFICIENCY.

THE QUESTION OF GOVERNMENT EFFICIENCY. Third: But granting that the proposition put forth by the advocates of the absorption of the telegraph by the Government be true, namely, that the people are in present and urgent need of cheaper and greater tele present and urgant need of cheaper and greater telegraphic facilities, the question is a most speriment one, whether the ends sought for are in any degree likely to be attained through the agency of the Government! That increased cheapness is only likely to be reached under Government, through increased taxation, has been already demonstrated; but how about greater efficiency! To this question a full and sufficient answer would seem to be afforded in the past and present record of the business which Government has already monopolized. Take as one illustration the Post-Office itself—the department which now proposes to extend its business by absorbing the telegraph. Does not every one know that in point of efficiency, trustworthiness, and attention to the interests of the public, the Post-Office in the United States is far inferior to the postal systems of Great Britain, belgium, or Holland! Are there any towns in Great Britain, of from 500 to 1,500 inhabitants, in the midst of a densely populated district, which, like similar towns in New-England, have mail facilities limited to three times a week? Is there a case parallel under any of the more highly civilized governments of the world like that which now, and for years past, has existed on the Pacific coast, of a whole community conforming to the strict letter of the law by placing a U. S. postage stamp on their more valuable interest, and then, at eight times additional cost, confiding the same letters to a private express company for transmission and delivery! What a commentary on the honesty of its collolais, and the integrity of its civil service, does the Post-Office Department itself confess when it authorizes everywhere the publication of the following notice: "Valuable letters should invariably be taken it authorizes are repressed to the Fost-Office Department itself confess when it authorizes are repressed to the frankled file of the factors. The regulty fee to all parts of the United Slutes is 15 centa" postage in addition.

Postage at one penny, and graphic facilities, the question is a most pertinent one.

to the Post-Office and registered. The registry foe to all parts of the United States is 15 cents" postage in addition.

Postage at one penny, and the abolition of the franking privilege, became established facts in Great Britain as far back as 1840; but it was not until 1893, or 29 years subsequent, that the Post-Office Department of the United States could see its way clear to the adoption of a uniform rate of three cents on every half ounce letter to all portions of its territory. During the session of Congress which adjourned in May, 1872, the use of the so-called "postal-cards"—a roundabout device for affecting a reduction of postage without meeting the question manuity, and withal equivalent to saying to the people of the United States, "If you will write your letters so that the Post-Office officials may read them, the postage shall be one cent, but if otherwise, three"—was authorized by Congress; and yet up to the present writing. December, 1872, the public have derived no benefit from the authorization; and simply for the reason that the experts of the Post-Office Department, after a year or more deliberation on the subject, forgot to have the bill accompanied with the essential provision of an appropriation necessary to put the device into operation.

And what is true of the business of the Post-Office is true of the business of almost every other department of Government; the appraisement of goods hable to customs duties, the system of entries and withdrawals, of storage in bond, the inspection of vessels, the collection of customs revenue, in all of which he administration is imperfect, and what in most countries are obsolete laws, seems always in the direction of needless obstruction and expense to the business interests of the community, and rarely, if ever, in the direction of economy and convenience; added to all of which is a facility recognized system of adjudication between citizens and the several executive departments of the Government, which in all questions of doubt uniformly applies the

ever, to the individual.

In short, were any individual or corporation to undertake to do business in the same dilatory, expensive and vexatious method as the Government of the United States to-day discharges all of its functions having rela-

It is certain, furthermore, that if any additional evilence was needed in support of these conclusions there could be no better field to search for it than in the sevral reports which have been made in favor of the Government theory of the telegraph, since its original coneption in this country and first presentation to the public; for no one can candidly examine these reports, from the one made by the Hon. B. Gratz Brown, in 1865, fewn to the last by the present Postmaster-General, without being most painfully impressed with a convic-tion that the Government is being urged to take action tion that the Government is being urged to take action upon a most important, financial, political and secial guestion, in respect to which its advisers have only the floor indefinite and inadequate information. Thus, in 1885, Mr. Graiz Brown advised three cents per message, for all distances throughout the United Ssates, as the proper tariff to be adopted by the Government in the operation of the telegraph. In 1885, Mr. E. B. Washburne proposed one cent per word, exclusive of date, address and signature, with three cents for postage, and two cents for delivery of each message. In 1870, Mr. C. C. Washburn was confident, "from a calculation based on reliable estimates," that a tariff of from 20 to 25 cents per message, inclusive of date, address and signature, would afford the Government a small profit. In April, 1872, Mr. R. B. Lines of the Fost-Office Department, in advocating the theory of Government ownership before the House Committee on Approcare of from 20 to 02 control per moneage, industries of cates, control post. In Agril, 1977. Mr. E. I. Lines of the Delta Office Department; in actreasting Committee on Appropriation, expressed on oppoint the "to evidentical the presentation of the control of the presentation of the control of the presentation of the control of the c partment, in an occasion and the House Committee on Appro-nership before the House Committee on Appro-cepts of the House Committee on Appro-ent the House had been in possession of the House had been in possession of

tries so situated in Europe, as a rule, have adopted a low rate of charges for their internal messages, the deficit being made up by a tax upon international and transit messages paid by surrounding States. Thus, for example, Beigium charges a minimum rate of half a franc for the transmission, receipt and delivery of a message within her own territory, while she imposes double rates upon both international and transit messages, one class of which requires only one half the service of an internal message—being simply either sent or received from or into the country—and use other class requiring no service at all, being simply sent through the air on its way from one neighboring State to another. The case would be analogous to that of one of our States which should set up an independent telegraph system of her own, and should charge a low rate for the transmission of messages within her own territory, and impose a heavy taxupon messages passing through her territory between the other States of the Union. Suppose the State of New-Jersey, for example, was to establish an independent telegraph system, and fix the rates for messages passing within her own territory at the Beiglan rate of the cents, and then charge twenty cents for every message passing through her territory. The result would be very favorable to the finances of New-Jersey, as the tax upon the correspondence between New-York and Washington alone would more than pay the entire cost of her own system."

The second circumstance, to which the advocates of the Government theory fail to give prominence, is the difference in the relative cost of the telegraphic systems of Europe and the United States—a difference which may be sucquently expressed by saying that, as a general thing, owing to the distances in the density of population and area of geographical occupation, it requires the construction of ten miles of wire in the United States to one in Europe to do the same business, and that the cost of everything in the United States, in the way of teletries so situated in Europe, as a rule, have adopted a low

construction of ten inles of wire in the United States to one in Europe to do the same business, and that the cost of everything in the United States, in the way of tele-graphic construction and operation, is on an average, full fifty per cent greater than in Europe. How entirely, however, the December 1997. of everything in the United States, in the way of telegraphic construction and operation, is on an average, full fitty per cent greater than in Europe. How entirely, however, the Postmaster-General puts a different complexion on this hast proposition is evidenced by the statement of his tables, that while the cost of constructing each mile of telegraph line in the United States is \$120, and of each mile of wire \$30, the cost in Great Britain is \$150 for each mile of line, and \$41.22 for each mile of wire. To show now the unreliability of all this, it is only necessary to call to mind that the greater pertion of the telegraph wire used in the United States is made in Eagland, and that England is to-day the cheapest place in the world in which wire can be purchased—the relative cost of No. 8 "extra best best" galvanized iron wire being at present \$5 cents gold in Manchester, and 16 cents currency in New-York; and, also, that not a little of the wire now in use in the United States, erected during the war, has cost, from causes over which the telegraph companies could have no control, as much as twenty cents per pound; and that if the United States Government were now to construct new lines, it would find that the simple conveyance of the wire to not a few localities would require an expenditure equal, or more than equal, to what the wire originally cost at the port of importation. The impossibility of instituting a fair comparison—such as Mr. Creswell attempts—between the cost of telegraph lines in Europe and the United States, is further shown by the fact that while the sizes of telegraph wire used in the United States are of 6, 7, 8 and 9 gauge (none being employed smaller than the latter), the wire used very largely in Europe 15 of No. 11 gauge, weighing but one-half as much as No. 8, and costing proportionately less. No. 6 wire, of which there is a considerable amount used in this country, weighs 550 pounds per mile, and costs \$7.75 per mile at the place of importation, can be gauge cost of \$50 per mile, to s

Str 75 per mile at the place of importation, can be transported all over this broad continent, and erected along the content of the content o

gregate, full 70 per cent was on account of messages transmitted for railroad companies, from whom the telegraph was receiving an equivalent service in the way of maintenance and repair of its lines; and that of the remaining thirty per cent a very large proportion was in the nature of compensation to hotels, express companies, for the rent of offices or accommodations afforded the comment.

the company.

The statement, therefore, made at the commencement of this review, that the Government was undertaking to deal with a subject of great financial, political, and social importance, without being in possession of either accurate or adequate information, is abundantly confirmed by the evidence which has been cited.

OF REPUBLICAN INSTITUTIONS.

But a more important and conclusive argument against the absorption and control of the telegraph by the Government is to be found in the fact that the adoption of such a policy is in direct antagonism with and destructive of the fundamental principles upon which the Government itself has been established. We are a nation of forty millions, made up of individuals representing almost every nationality and human variety, and increasing at such a ratio as will give us at the close of the present century, or within a period of 30 years, a population approximating a hundred millions. The area of country inhabited embraces extremes of over 1,000 miles in direct distance; while the diversity of character and interest among the people of the different sections, growing out of differences of soil, climate, pursuits, and cducation, is even greater comparatively than the distances by which they are separated. Language excepted, the different States of Europe do not differ so much among themselves as New-York differs to-day from Texas or South Carolina from California. The problem of greatest moment, therefore, presented to us as a nation, is to harmonize these varied and conflicting interests, and to unite them all under one firm and stable Government. The solution of a similar problem has been exsayed before—in Old Rome and in modern Austria and Russia—ander conditions of the most centralized imperalism; but its attempt under a republic with universal suffrage and with no standing army is something for which, apart from our own experience, there has been no precedent for success. Whether those who framed our Constitution were men of superior wisdom, and clearly foresaw the conditions under which through recognition, our past success has been mainly dependent, seems certain; and that was, that while it is the essential feature of every imperial and centralized government to think for, act for, and, as for as possible, direct the pursuits and even the creeds and amusements of the people, it is, on the contrary, the essence of a republic composed of a union of separate independent states, to concern itself as little as possible with the internal affairs of the hation, and to do nothing whatever for the people which the peole are willing or capable of doing for themselves. And if thi the Government itself has been established, are a nation of forty millions, made up of indi-

INCREASE OF FEDERAL PATRONAGE.

The increase of Federal patronage incident to the adoption of the measure under consideration constitutes a further most striking illustration in the same direction. The number of officers and agents, other than soldiers and sailors, and employés in Government

something altogether improvable; and, as showing far ther how immistakably the drift of political management is at present in respect to such matters, the following medent may be related; During the past Summer an application was made to one of the Bureaus of the Government, naving in charge a branch of manufacturing, to purchase and introduce a new labor-saving machine, which private enterprise was everywhere adopting. The proposition was declined for the very same reason that it was made—namely, that it would occasion a reduction in the number of those receiving employment, the officer in charge adding that the polley forced upon him was to employ as many, and not as few men as possible, and that any deviation from it would occasion in annoyance, and possibly a forfeiture of his situation. It will also readily suggest itself that whatever it likely to be gained from the employment of postmasterin small towns as telegraph operators, is likely to be far more than compensated by the very great increase of force necessary to meet the requirements contingent on the expected increase of business under Government rates and management. This increase the Postmaster General thinks would, after one year, benfrom 13,700,000 messages (the present estimate) to 30,000,000; Mr. Washburn and others say 40,000,000; while the experience of the Western Union shows that for every additional 400 messages per day passing between any two points there must be an additional wire, and an entire new set of operators and messengers.

the Western Upion shows that for every additional too messages per day passing between any two points there must be an additional wire, and an entire new set or operators and messengers.

It is, therefore, altogether reasonable to assume that, if the Post-Office Department takes possession of and directs the telegraph service of the country in the manner proposed, the number of additional offices which will at once, or in a short time, be added to the roll of Federa patronage will equal or exceed 25,000.4 And it the theory of the Government be correct, that the people need the telegraph, and that it is essential to civilization and the spread of intelligence that they should every where enjoy its use cheaply, there can be no good reason assigned why it should not be made co-extensive with the Post-Office, or why a post-office district whose annual receipts are should be deprived of similar privileges. The plea that one office would be remunerative and the other would not could not be consistently offered, for in neither case would the receipts from business be likely to defray more than a fraction of the expenditures; and the fondamental idea, moreover, with which the Government enters upon its scheme is, that necessities, and not expenditures, are to have the prime consideration. The scheme of telegraphic ownership once entered upon, the logic of the case, and the desire of every member of Congress to please his constituents, would therefore soon lead to the extension of the wires to every post-office, except the very smallest, and consequently augment the number of new officials very far beyond the number of the extension of the begraph, that every argument they can bring forward in support of their pleaded necessity, namely, protection against corporate monopolies, the urgency of cheaper service, the requirements of the state in time of war, can be made to justify equally the Government appropriation of the business of the railroad and express. Nay, more, do we not find that in Continental Europe, whose expe

THE EXTENT OF GOVERNMENT INTERPERENCE INVOLVED IN TELEGRAPH OWNERSHIP. But there are other aspects of the case which, when

But there are other aspects of the case which, when we have a control buttoness ever done in the City of New York was on Nov. 11, 1372, which is 1, 137 general control. Suppose to the Otty of New York was on Nov. 11, 1372, which is 1, 137 general control. Beating the latter at 30 words of press insister owns sent and recovered. Beating the latter at 31 words of message, the agreement would represent a total of M 315 messages. Butty-tow wires were employed in doing this message of them being doubted by the use of Stearnes Dupler Telegraph, making an average of 237 messages per wire. The wires were all outside to the weather was he and the lines in excellent order, as that the work done may be regarded as practically exhibiting the maximum cancelly of the wires under the most account of the season of the season of the season of the wire will probably be found in practice of a large message fellulars. A few clears and letter of the control of the season of

will increase every year."

* dock was on Washburu's Special Commission